



## TOWN OF NORWOOD PERSONNEL BOARD

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### **#P-501 - EMPLOYEE PERFORMANCE AWARD POLICY**

#### **1. Purpose and Scope**

- 1.1 The purpose of this policy is to establish the process and procedures for evaluating and rewarding eligible employees that accomplish significant achievements in the performance of their job responsibilities to the Town of Norwood.
- 1.2 Please see also the Town's Employee Recognition Policy at [www.norwoodma.gov](http://www.norwoodma.gov), click Committee/Boards, click Personnel Board, and click Town Personnel Policies.

#### **2. Applicability**

- 2.1 This policy applies to all full and part-time compensated positions, excluding elected officials and employees of the School Department. Positions covered by Civil Service Law or a collective bargaining agreement are subject only to those portions of the policy which are not separately regulated by Civil Service Law or a collective bargaining agreement.
- 2.2 To the extent permitted by law, individual employment agreements (new, updated or extensions) entered into after the effective date of this policy, with employees whose positions are subject to this policy, must follow all of the provisions of this policy.
- 2.3 This policy is intended to be consistent with any and all applicable laws. If any part of this policy is inconsistent with the law, that part of the policy shall be considered invalid, and the remaining provisions of the policy shall be construed so as to be consistent with the law.

#### **3. Definitions**

- 3.1 Please consult the Personnel Definitions Document (#D-100) regarding terms utilized throughout this policy.
- 3.2 Cost Avoidance – Action taken to reduce future costs, such as replacing parts before they fail and cause damage to other parts. Cost avoidance may incur higher (or additional) costs in the short run, but the final or life cycle cost would be lower.
- 3.3 Cost Saving – Decision or action that will result in fulfillment of the objective(s) of a purchase at a cost lower than the historical cost or the projected cost.
- 3.4 Significant Achievement – for the purposes of this policy, significant achievement means one or more of the following with generic examples provided:
  - 3.4.a The Town has received short-term financial savings that makes a major impact within the current fiscal year.

*Example: The finding of a recent recurring billing error, which upon correction resulted in a major FY savings to the Town.*

- 3.4.b The Town will receive long-term financial savings or cost avoidance that will result in a major financial benefit during multiple fiscal years.

*Example: A new service contract was put in place that will result in a major year-over-year cost reduction/savings to the Town.*

- 3.4.c A permanent process change or improvement that will benefit the Town through a reduction in time, allowing employees to be more efficient or productive and/or simplifies the user/customer experience in a major way.

*Example: A newly implemented process streamlined how employees report their daily time, eliminating paper tracking and allows for daily reports.*

#### **4. Eligibility**

All Regular Full-time and Regular Part-time employees are eligible for consideration of an Employee Performance Award, as indicated in this policy.

#### **5. Policy**

- 5.1 The primary goal of this program is to recognize eligible employees with a monetary or non-monetary award for providing the Town a significant achievement while in the performance of the employee's job responsibilities.
- 5.2 Individuals or teams may be nominated and rewarded for their significant accomplishment(s)/achievement(s).
- 5.3 This policy shall be administered by the Human Resources Department under the procedures outlined in Section 5, although the actual approval of an award through this policy is by the Board of Selectmen.
- 5.4 The annual funding for the implementation of the monetary portion of this policy is subject to approval by the Finance Commission and/or Town Meeting. If there is no budgeted money, there can not be a monetary recommendation to or approved by the Board of Selectmen regarding monetary awards.
- 5.5 As the Board of Selectmen is the final decision maker regarding monetary awards, they shall be responsible for submitting any budget request for this program.
- 5.6 Eligibility:
  - 5.6.a No employee may receive a performance award more than once in 3 consecutive fiscal years unless he/she is part of a team being recognized for an accomplishment.
  - 5.6.b Employees who are part of a team being recognized may not receive a performance recognition award as part of a team more than once in 3 consecutive fiscal years.
- 5.7 The granting of a performance award is a one-time benefit and does not affect an employees classification grade/step or retirement contributions, but may be subject to IRS withholding requirements, as a monetary award is considered income.

- 5.8 No individual be granted an award greater than \$1,000 or 2 days off (comp time).
- 5.9 Department Heads are required to act consistent with this policy and ensure this policy is implemented consistently within their department.
- 5.10 In the event of an error or violation of this policy, either intentional or unintentional, Human Resources must be immediately informed. Human Resources will identify and make the proper correction(s). A violation of this policy, whether intentional or unintentional, will not change this policy, nor set a precedent in any future application of this policy.

## 6. Provisions

### 6.1 Recommendations

6.1.a To start the process, document **#D-111- Performance Award Nomination Form [PANF]** shall be filled out [Sections A and B] by a Nominator and forwarded to the Nominees Department Head or Appointing Authority (or jointly if individuals from different work groups are being recommended). See the Human Resources Department for the most current version of document #D-111 to be utilized.

➤ Department Heads may self-nominate, but then the PANF needs to be forwarded to his/her Appointing Authority.

6.1.b The Department Head or Appointing Authority shall fill out Section C – Award Concurrence by either checking the “I Do Not Concur” box or the “I Concur and Support” box.

6.1.b.i If the “I Do Not Concur” box is checked, the form and all attached/associated documents shall be returned to the individual who signed Section B.

6.1.b.ii If the “I Concur and Support” box is checked off, the signed form and all attached/associated documents shall be forwarded to the Human Resources Department for review, logging, and tracking.

6.1.c The Human Resources Department will review the document and complete Section D1 – Human Resources.

6.1.c.i If there is missing or incomplete information, it shall be noted and returned to the appropriate Department Head(s) or Appointing Authority(ies) for updating and resubmission to the Human Resources Department.

6.1.c.ii The HR Director shall re-review and sign in Section D2.

6.1.d The Human Resources Director shall forward any and all information/documents to the Personnel Board for a performance award consideration.

### 6.2 Award Recommendations

6.2.a The Personnel Board shall complete Section E – Award Recommendation of the PRNF within 75 days after receipt, unless there are extenuating circumstances.

- 6.2.b Reviews must include many factors before a final recommendation is made. The definition of Significant Achievement can be subjective, but is the major criteria in determining if the submitted accomplishment warrants an award.
  - 6.2.b.i All benefits to the town (short-term or long-term) should be considered. However, the performance award recommended shall not be larger than the benefited value to the Town.
  - 6.2.b.ii The length of time to solve or resolve an issue can also be a criterion when reviewing a performance award nomination.
- 6.2.c There are 2 types of awards that may be considered as part of this policy:
  - 6.2.c.i Monetary awards of up to \$1,000 may be recommended. Monetary awards may not be considered if there are insufficient funds in the program, which shall be approved by the Finance Commission and/or Town Meeting.
  - 6.2.c.ii A non-monetary award of no more than 2 days off (compensatory time) may be recommended, but not in addition to a monetary award. Compensatory time must be used within 90 calendar days from the date of award and scheduled in advance with the employee's supervisor approval.
- 6.2.d It is the responsibility of the Personnel Board to carefully evaluate each nomination received and conclude that a significant accomplishment has been completed to the benefit of the Town before recommending any performance award.
  - 6.2.d.i If the Personnel Board does not concur with the nomination, the form and all attached/associated documents shall be returned to the individual who signed Section B.
    - The HR Department shall ensure a thank you letter, similar to ***document #D116 – Non-award Thank You Letter***, is sent to the nominee with a copy to his/her Department Head.
  - 6.2.d.ii If the Personnel Board concurs with the nomination, then the Chairman or Vice-chairman shall sign Section E and ensure the form and all attached/associated documents are forwarded to the Board of Selectmen for final review and approval.
- 6.3 Award Determination
  - 6.3.a The Board of Selectmen shall review and complete Section F – Award Determination of the PANF as soon as practical.
    - 6.3.a.i If the Nomination is by the Board of Selectmen, then the award determination shall be made by the Personnel Board Chairman in conjunction with the Human Resources Director.
  - 6.3.b The Board of Selectmen (or Personnel Board Chairman and Human Resources Director in the case of a Board of Selectmen nomination) may:
    - 6.3.b.i Approve of the recommendation from the Personnel Board; or
    - 6.3.b.ii Ask the Personnel Board to reconsider the recommended award; or

- 6.3.b.iii Disapprove and deny the recommendation, effectively killing the nomination.
- 6.3.c Award Letters
  - 6.3.c.i If the Board of Selectmen approve a performance award, all information/documentation shall be returned to the Human Resources Department for processing. The HR Director shall ensure an award letter, similar to **document #D-117-Performance Award Letter**, is/are sent to the employee(s) with a copy to the Department Head(s), Appointing Authority(ies) and a copy inserted into the employee(s) file.
  - 6.3.d If the Board of Selectmen deny the recommendation, all information and documentation shall be returned to the Human Resources Department, who shall ensure a thank you letter is sent out, as provided for in section 5.2.d.i.
  - 6.3.e The decision of the Board of Selectmen or the Personnel Board chair and HR Director in the case of a Board of Selectmen nomination is final.
- 6.4 Award Pay-outs
  - 6.4.a The Human Resources Director is responsible for notifying the Town Accountant of any approved performance award for immediate processing.
  - 6.4.b The Payroll Change Form shall be forwarded by the HR Director with his/her signature to the Town Accountant with a copy of the appropriately signed **Performance Award Nomination Form [PANF]** attached. No Department Head signature is necessary on the Payroll Change Form.
  - 6.4.c Upon receipt, review, and verification of funds, the Town Accountant shall sign the Payroll Change Form and forward to the Town Treasurer's office for issuance within two weeks.
  - 6.4.d In the case of non-monetary awards, the HR Department shall notify the employee's individual department attendance coordinator in writing to update the system with the performance award paid leave code.
  - 6.4.e The particulars of what must be filed by the HR Department to the Town Clerk and/or Town Treasurer may change, as long as all parties agree on the document(s) to utilize to ensure payment occurs in a timely fashion.
- 6.5 Reports
  - 6.5.a Logging/Tracking of all issued performance awards shall be the responsibility of the HR Department using **document #D-113 – Performance Award Tracking Report**. The most current version of this report form is available from the HR Department.
  - 6.5.b Document #D-113 shall be used as the annual report documenting all performance awards and shall be sent to the Board of Selectmen, Finance Commission, and the

Personnel Board by the Human Resources Department at the end of each fiscal year or upon request.

**7. Applicable Laws / Statutes**

This Section intentionally left blank.

The following documents associated with and attached to this policy may change to meet the needs of the Town or new requirements of law. The HR Director may make the necessary document changes without changing the intent or content of this policy. Please consult the Human Resources Department for the most current version:

**Available Forms – see the Human Resources Department for samples**

- #D-111 - Performance Award Nomination Form [Section 5.1.a – Recommendations]
- #D-113 - Performance Award Tracking Report [Section 6 – Reports]
- #D-116 - Non-award Thank You Letter [Section 5.2.d.i]
- #D-117 - Performance Award Letter [Section 5.3.c.i]

**PERSONNEL BOARD**

For the Personnel Board: David E. Hajjar                                  12 / 10 / 2014

David E. Hajjar, Chairman  
 Anne Haley, vice-chair  
 Willard Krasnow  
 Patterson Riley  
 John E. Taylor

**TOWN OF NORWOOD – PERSONNEL BOARD**

**PAPFC-1**

**Performance Award Process Flow Chart**

